

Easterling, Deborah

280906

From: Colleen Walz <c.walz@stjfd.org>
Sent: Tuesday, December 18, 2018 8:28 AM
To: PSC_Contact
Cc: Greta Howe
Subject: St Johns Complaint against Kiawah Utility
Attachments: StJFD Walz hearing reques PSC.pdf

2018-212-W

Hello,

Please find attached a Complaint being filed against Kiawah Island Utility, Inc.

I have cc'd the Attorney for the St. Johns Fire District, Donald Howe, as he is aware of the filing.

I will forward a copy of this filing via USPS.
If there is anything else I need to do please advise?

Thank you for your attention to this matter.

Colleen J. Walz
Chief, STJFD

"This email and any files transmitted with it are confidential and intended solely for the use of the individual or entity to whom they are addressed. If you have received this email in error please notify the system manager. Please note that any views or opinions presented in this email are solely those of the author and do not necessarily represent those of the District. Finally, the recipient should check this email and any attachments for the presence of viruses. The District accepts no liability for any damage caused by any virus transmitted by this email."

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DEC 18 2018

PSC SC
CLERK'S OFFICE

ST. JOHN'S FIRE DISTRICT

COMMISSIONERS:
 ERIC P. BRITTON, Chair
 DEBRA LEHMAN, Vice-Chair
 LEROY BLAKE
 JOHN CONNOLLY
 SAMUEL BROWNLEE
 MARY JONES
 WILLIAM THOMAE
 FRANK J. BROCCOLO
 STEPHEN ROLANDO

P.O. BOX 56
 1148 Main Road
 JOHNS ISLAND, S.C. 29455
 PHONE: (843) 559-9194
 FAX: (843) 737-0058



COLLEEN WALZ, Fire Chief

FACSIMILE TRANSMITTAL SHEET

TO: Public Service Commission	FROM: St. John's Fire District Colleen Walz
COMPANY:	DATE: 12/18/2018
FAX NUMBER:	TOTAL NO. OF PAGES INCLUDING COVER: 8
PHONE NUMBER: (843) 559-9194	SENDER'S REFERENCE NUMBER:
RE:	YOUR REFERENCE NUMBER:

☐ Urgent

☐ For Review
☐ Please Reply

☐ Please Comment
☐ Please Recycle

Notes/Comments:

EMAIL: CC'd - Donato Howe - Attorney for St. John's

ALSO WILL SEND COPY OF FILING
 CERTIFIED MAIL

Respectfully

Chief Colleen Walz

RECEIVED

DEC 18 2018

PSC SC
 CLERK'S OFFICE



Individual Complaint Form

Date*: 12/17/2018

Complainant or Legal Representative Information: * Required Fields

Name * Chief Colleen Walz

Firm (if applicable) St. Johns Fire District

Mailing Address * P.O. Box 56

City, State Zip * Johns Island, SC 29457 Phone * 843-559-9194

E-mail c.walz@stjfd.org

Name of Utility Involved in Complaint: * Kiawah Island Utility, Inc

Type of Complaint (check appropriate box below.) *

- | | | | |
|---|--|--|---|
| <input type="checkbox"/> Billing Error/Adjustments | <input type="checkbox"/> Deposits and Credit Establishment | <input type="checkbox"/> Wrong Rate | <input type="checkbox"/> Refusal to Connect Service |
| <input type="checkbox"/> Disconnection of Service | <input type="checkbox"/> Payment Arrangements | <input type="checkbox"/> Water Quality | <input type="checkbox"/> Line Extension Issue |
| <input type="checkbox"/> Service Issue | <input type="checkbox"/> Meter Issue | | |
| <input checked="" type="checkbox"/> Other (be specific) Fire Hydrant Rental Fee | | | |

Have you contacted the Office of Regulatory Staff (ORS)? * ☒ Yes ☐ No Name of ORS Contact: Brad Kirby

Concise Statement of Facts/Complaint: * (This section must be completed. Attach additional information to this page if necessary.)

See Attached:
Complaint
Motion approved by the Commission
Map of the St. Johns Fire District
Letter stating the fire hydrant rental fee from Kiawah Island Utility, Inc.

Relief Requested: * (This section must be completed. Attach additional information to this page if necessary.)

The District therefore requests that this fee be directly billed to and collected from customers of Kiawah Island Utility, Inc.

**I GIVE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA PERMISSION TO PUBLISH THIS COMPLAINT AND ITS CONTENTS ON THE COMMISSION'S WEBSITE (dms.psc.sc.gov), AND I UNDERSTAND SUCH INFORMATION MAY BE SUBJECT TO PUBLIC SCRUTINY OR FURTHER RELEASE. ☒ Yes ☐ No

Complainant's Signature* (MUST BE SIGNED, DO NOT PRINT)

STATE OF SOUTH CAROLINA)

COUNTY OF Charleston)

VERIFICATION

I, Colleen Walz, Chief of STJFD
Complainant's Name *

verify that I have read my complaint filed on 12/17/18

and know the contents thereof, and that said contents are true.

Complainant's Signature* (MUST BE SIGNED, DO NOT PRINT)

Internal Use Only

Processed By	Date
H.E.	

Complaint submitted by the St Johns Fire District

The St. John's Fire Commission, by and through its undersigned Commissioners and pursuant to a vote at its regular monthly meeting on June 11, 2018, challenges the reasonableness and fairness of fire hydrant "rental fees" being charged by Kiawah Island Utility, Inc., 31 Sora Rail Road, Kiawah Island, SC 29455. The present rate is \$134.79 per hydrant per year. There are approximately 494 hydrants involved for a total of approximately \$66,586.26.

The St. Johns Fire District is a Special Purpose District created by the South Carolina Legislature in 1959 to provide fire protection to Johns Island, Wadmalaw Island, Kiawah Island, and Seabrook Island. At the time of the creation of the District, the 4 sea islands were very rural areas, indeed both Kiawah and Seabrook were essentially undeveloped. Since 1959 the District has experienced dramatic growth, particularly on Kiawah and Seabrook Islands. Also, some portions of Johns Island have been annexed by the City of Charleston. A map of the District is attached for your reference.

Approximately 40 years ago, the District began the practice of paying "rent" for hydrants based on a flat fee for each hydrant. This "rent" was to cover water usage and infrastructure costs. Although no signed contracts can be found, it appears from meeting minutes in 1979 that the original intent was for the flat fee "rent" to extend for a period of 20 years. Kiawah Island had no water service at that time, but the same procedure was followed when Kiawah later began providing water service and hydrants. The original rate was \$75.00 per hydrant. Over time, a number of changes have taken place which have rendered the original arrangement obsolete.

These changes include:

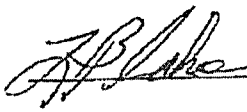
1. The 20 years has expired.
2. Infrastructure costs are now reimbursed by developers.
3. The number of hydrants has increased dramatically.
4. Kiawah has developed into an upscale community and is now incorporated as a town.
5. the water supply for Kiawah is now a private concern for profit.

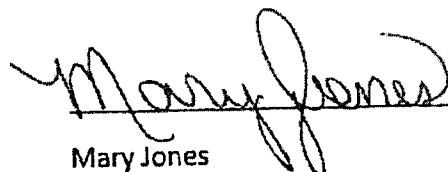
Kiawah Island Utility, Inc. distributes water that originates with the Commissioners of Public Works for the City of Charleston, Charleston Water System. The District has since evaluated its water usage for 2017 and estimates it used less than \$7,000 of water that year. The District believes there is no rational relationship between the amount charged and the services rendered. Also, because the St. John's Fire District is funded by residents from 3 islands not part of the town of Kiawah, there is the appearance that they are being "taxed" to pay for Kiawah's water. It is of note that Wadmalaw Island has no fire hydrants or water service. The District therefore asserts that the present system and rate is not just unreasonable as to amount, but is also unfair because it charges customers not in its service area.

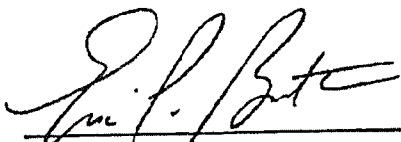
With these things in mind, the district believes the fairest practice would be for the present system to be eliminated and for future billing to be assessed through the water base rate directly to the customers on Kiawah Island. The water base rate is now in place for fire hydrants and related costs at the City of Charleston through the Charleston Water System.


Motion presented to the St Johns Fire District Commission on June 11, 2018

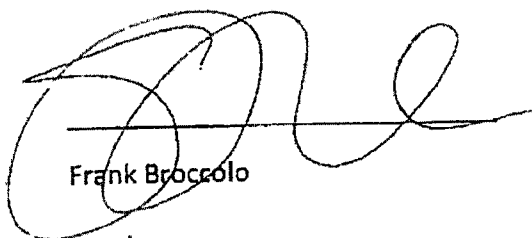
I move that the Commission file an official complaint with the South Carolina Public Service Commission challenging both the reasonableness and fairness of the fire hydrant "rental" fee of \$134.79 being charged by Kiawah Island Utility, Inc. The complaint will seek to have the hydrant fees assessed directly to the customers of Kiawah Island Utility, Inc. and that the amount be adjusted to a reasonable rate.



Leroy Blake

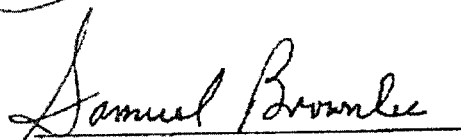

Mary Jones

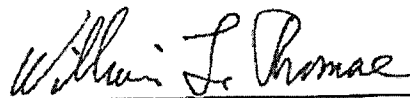

Eric Britton

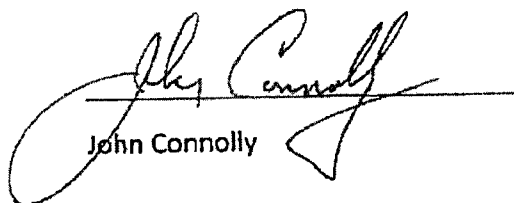

Debra Lehman


Frank Broccolo


Stephen Rolando


Samuel Brownlee


William Thomae


John Connolly



June 12, 2018

Ramona Brown, Controller
St. Johns Fire Department
P.O. Box 56
Johns Island, SC 29457

Re: Fire Hydrant Additions/Annual Charge

Dear Ms. Brown:

Upon receipt of this letter, please remit \$66,586.26 for the referenced annual charge. This reflects a charge of \$134.79/hydrant for 494 hydrants. Please make the check payable to Kiawah Island Utility, Inc., 31 Sora Rail Road, Kiawah Island, SC 29455.

If you need additional information, please contact me at (843) 768-0641 or by email at bdennis@swwc.com

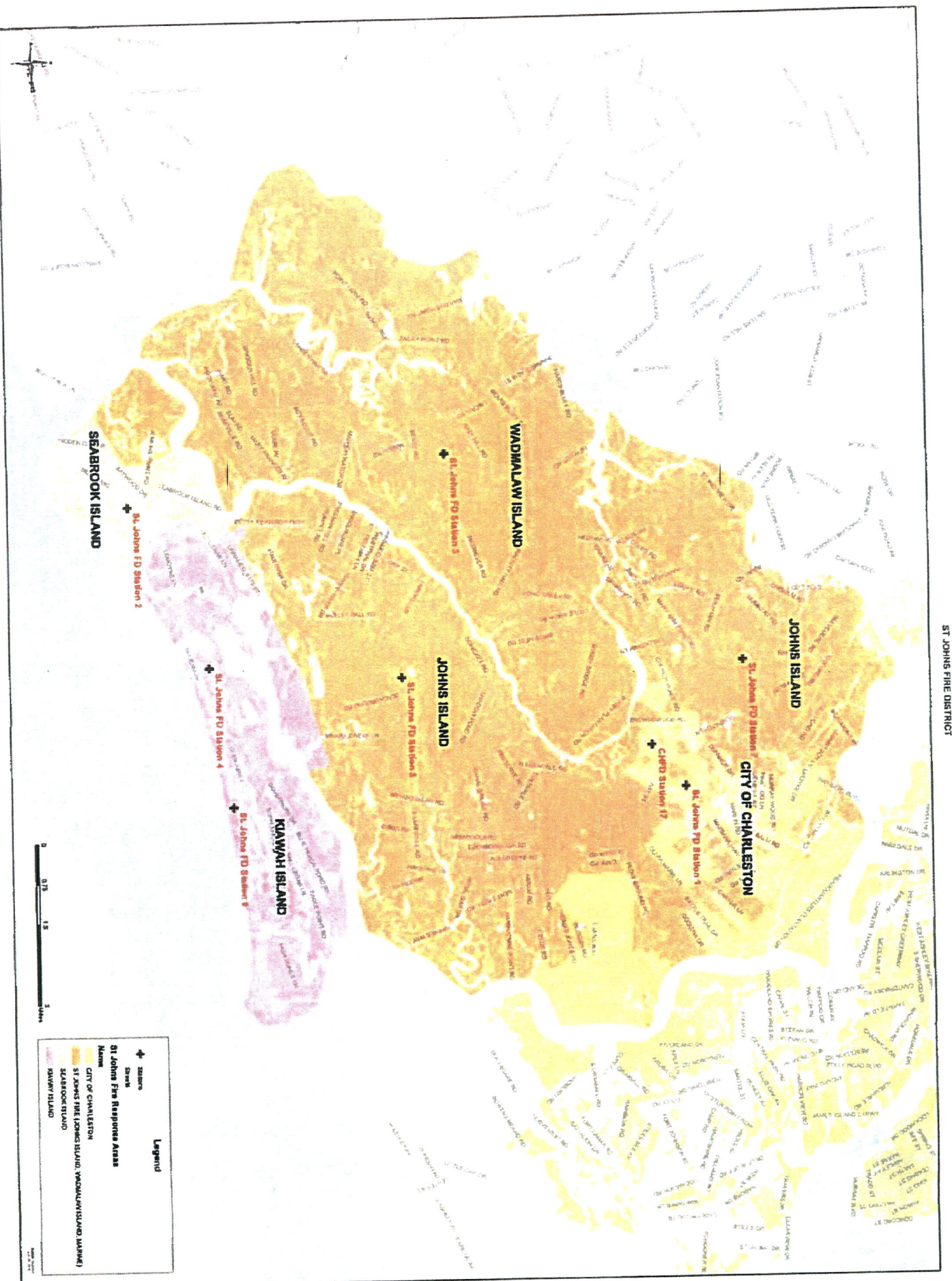
Sincerely,

A handwritten signature in cursive script that reads "Becky J. Dennis".

Becky J. Dennis
Director of Operations

CC: Vicky Dyke, Sr. Accountant

ST JOHN'S FIRE DISTRICT





Individual Complaint Form Instructions and Procedure

Print

Please contact the **Office of Regulatory Staff (ORS)** at 803-737-5230 (Columbia, SC) or 800-922-1531 (toll free) to attempt to informally resolve this issue prior to filing an official complaint with the Commission.

A. To file an official complaint:

1. Complete the **Complaint Form** found on the Commission's website at www.psc.sc.gov.
 - a.) The form may be completed and e-mailed to contact@psc.sc.gov.
 - b.) Alternatively, a blank copy of the form may be printed, filled out, and then mailed or faxed to the Commission.
2. Individuals do not need to have legal representation to represent themselves before the Commission, but a corporation, partnership, limited liability company, or group of people or association must be represented by legal counsel. Neither the Commission nor the ORS can provide legal advice.
3. If additional documentation is necessary to supplement your complaint, attach it to the form. **DO NOT ATTACH ANY DOCUMENTATION THAT CONTAINS PERSONAL IDENTIFYING INFORMATION SUCH AS SOCIAL SECURITY NUMBERS, DRIVER'S LICENSE NUMBERS, CHECKING ACCOUNT NUMBERS, FEDERAL IDENTIFICATION NOS., ETC. WITHOUT FIRST DELETING THIS INFORMATION FROM THE DOCUMENT.**
4. The Commission hears matters involving regulated utilities, but cannot award any monetary damages other than refunds for overpayments.
5. Complete the section of the form regarding publishing the contents of the complaint on the Commission's website (dms.sc.gov).
6. Complete the Verification section of the form. The form must be dated and signed before it will be processed. The information presented in the complaint form will serve as your pre-filed testimony for your case. It is important that your Statement of Facts be accurate and concise.

B. Your complaint will be processed by the Clerk's Office and assigned a docket number.

C. A Hearing Examiner will be appointed to your case.

D. You will receive a letter notifying you of the date of your hearing before the Commission.

E. After the Docketing Department has assigned a docket number, you can review your case online by accessing the Commission's **Docket Management System (DMS)** (<http://dms.psc.sc.gov/dockets>). To view your case, enter the docket number assigned to your case. The docket number is in the format yyyy-~~nnn~~-l (e.g. 2009-401-E) and will be located on any correspondence to you from the Commission.

F. After the docket is established, any mailings or requests to the Commission must be copied to all parties of record listed in the docket.

G. **You must continue to make timely payments on any undisputed amounts on your account while your case is pending before the Commission or your service may be disconnected.**